

Untitled document

SBIR program helps to foster innovation and development among America's job creators

September 13, 2011

WASHINGTON – Congressman Charles F. Bass (NH-02), with three of his New England colleagues, sent a bipartisan letter to the Chairman and Ranking Member of the House Small Business Committee late last week urging them to preserve aspects of the successful Small Business Innovation Research (SBIR) program, which awards competitive grants to small businesses to be able to engage in research and development.

Currently, the Small Business Committee is working on legislation to reauthorize the program. Included in the current version of the bill is language that would limit the number of awards that participants in the program can receive and eliminate the stage in the program that requires businesses to prove feasibility before receiving awards, opening the process up to duplication or awards being made to less viable proposals.

Bass said:

"We all know that small businesses create the majority of new jobs in our nation and are the engine of our state and nation's economy. As Congress works on ideas to make it easier for the private sector to grow the economy, it only makes sense to preserve programs like the Small Business Innovation Research program that give small businesses the ability to expand and create jobs while at the same time ensuring responsible stewardship of taxpayer money."

James Barry, the President and Principal Engineer of Creare, Inc. in Hanover, said, "The long-standing and highly competitive Small Business Innovation Research program has been a leading source of technology innovation, economic development, and job growth. Congressman Bass has stepped forward to address critical issues to ensure that SBIR continues to play a critical role in addressing important national R&D priorities and in fostering the growth of small technology companies in New Hampshire, New England, and across the nation."

Doug Darrow, the CEO of Laser Light Engines in Salem, said, "Our company is living proof that the SBIR program is good for business and good for communities. The technology we've brought to market at Laser Light Engines began as an Air Force SBIR program. Without that federal partnership in the early stages of our work, we would not be in New Hampshire creating new jobs today."

The text of the letter Bass and his colleagues sent to the Chairman and Ranking Member of the House Small Business Committee follows:

September 9, 2011

Dear Chairman Graves and Ranking Member Velázquez:

We appreciate your continued leadership in the effort to complete a long-term reauthorization of the Small Business Innovation Research (SBIR) program. As you negotiate with your Senate counterparts on final legislation, we wish to inform you of certain concerns we have relative to H.R. 1425.

Though we support your desire to ensure that SBIR survives and continues to create jobs, we are particularly concerned with Section 505 of H.R. 1425. This language, if adopted, would limit the number of SBIR awards that participants in the program can receive. We believe this language would undermine the merit-based principles that make the SBIR program so successful. Additionally, this provision could limit the federal government's ability to choose and cultivate the best ideas in the SBIR program, and force agency personnel to adopt less viable proposals when certain organizations reach their annual quotas.

We are equally concerned with language of Section 105 of H.R. 1425 which would allow SBIR awardees to avoid Phase I of the award process and proceed directly into Phase II. Phase I represents a critical step in the development of SBIR concepts because that is the stage in which organizations prove feasibility. Curtailing or eliminating that element of the process could result in major investments in impractical technologies and could lead to fewer SBIR grants being awarded. The government's return on investment under SBIR comes from developing feasible concepts. Without the proving ground of Phase I, the program will likely produce less commercialized products and will risk wasting taxpayer money.

As you work to find a long-term solution for SBIR, we respectfully request that you strike Sections 105 and 505 from any final, compromise legislation. We do not believe these provisions will improve the SBIR program, but we do believe they will result in negative, unintended consequences.

As Representatives of Congressional Districts where SBIR creates jobs and drives innovation, we know how well the program works. We cannot risk letting SBIR lapse. Beyond that, Congress should not fundamentally alter a system that produces real, tangible results for American taxpayers.

Please do not hesitate to contact us to discuss this matter in greater detail. Thank you again for your leadership in working to continue and strengthen the SBIR program.

Sincerely,

Charles F. Bass
Member of Congress

Niki Tsongas
Member of Congress

Frank Guinta
Member of Congress

Peter Welch
Member of Congress

-- 30 --